



Press Release

**Carborundum Universal's Consolidated Full Year Net Sales up by 24%
Consolidated Operating PBT up by 37%**

Chennai, 2nd May 2012: The Board of Directors met today and approved the results for the Quarter and Year ended 31st March 2012.

Consolidated Full year and Q4 Financial performance

Consolidated net sales for the full year, grew up by 24% to Rs.1969 crores from Rs.1592 crores. For the Quarter, sales were up by 21%. Growth was driven by the performance of both the Indian and Overseas operations. The Ceramics segment recorded a growth rate in excess of 30% for the full year. The Abrasives and Electrominerals business segments, both recorded growth rates in excess of 20%. Profitability of all business segments witnessed good increase. Overseas subsidiaries recorded strong growth in sales, particularly the entities in Russia, South Africa and Australia.

PBIT (excluding exceptional income) grew up by 32.0% from Rs.262 crores to Rs.345 crores. Earnings before interest, depreciation and amortisation (EBITDA) recorded an increase of 29% (i.e. from Rs.312 crores to Rs.402 crores) without considering exceptional income of last year.

Profit before tax and exceptional income was Rs.320 crores - an increase of 37% over the previous year amount of Rs.235 crores. The profit after tax increased by 28% (i.e. Rs.219 crores compared to Rs.171 crores last year)

With a view to rationalize the holding structure, the company transferred its holdings in CUMI Abrasives and Ceramics Company Limited, China, to its wholly owned subsidiary in Cyprus.

Consolidated Operating Performance

Abrasives

Sales of the abrasives business on a consolidated basis registered an increase of 20% on a full year basis. Sales for the year was Rs.831 crores (Rs.690 crores for the last year). Off-take from user industries in India and Russia continued to be encouraging.

Profit before interest and tax on a consolidated basis recorded an increase of 30% i.e. from Rs.95.8 crores to Rs.124.8 crores.

Electro Minerals

The second largest business segment viz. Electro Minerals recorded an increase of 22% in sales (Rs.727 crores vs. Rs.598 crores). Growth in sales was made possible by the robust performance of the Russian and Indian operations.

Growth in revenues and also improvement in operating margins led to increase in profit before interest and tax of the electro minerals business on a consolidated basis by 27% i.e. from Rs.110.2 crores to Rs.139.9 crores.



Ceramics

The ceramics segment recorded a robust 31% increase in sales on a consolidated basis (Rs.348 Crores vs. Rs.456 Crores).

Both the high alumina ceramics business and the super refractories businesses performed well during the year. The operations in Australia registered higher growth.

Profit before interest and tax of the ceramics business segment on a consolidated basis increased by 47% i.e. from Rs.61 crores to Rs.90 crores.

Plans for Expansion

The Company plans to keep the growth momentum by investing about Rs. 200 crores towards capital expenditure in FY 12-13. For its domestic business, the Company has lined up capacity expansion plans in Abrasive Thin Wheels, Converted coated products, Sintered Alumina grains, Alumina zirconia grains and Lined equipment fabrication facility. The Company is pursuing opportunities to set up a Greenfield project in a new location to meet the additional requirement of Fired and Castable Refractories. For its overseas business, expansion of capacity in Russia and South Africa will be completed this year.

Corporate Events

The Board of Directors of the Company at its meeting held on May 2, 2012 has recommended final dividend of Re. 1/- per share (100%) to the shareholders of the Company. The Company has earlier paid an interim dividend of Re. 1 per share (100%) on February 4, 2012.

About the Murugappa Group

Founded in 1900, the Rs. 17051 Crores (USD 3.8 billion) (as of 31 March 2011) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including eight listed Companies actively traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Cycles, Sugar, Farm Inputs, Fertilizers, Plantations, Construction, Bio-products and Nutraceuticals, the Group has forged strong joint venture alliances with leading international companies like Groupe Chimique Tunisien, Foskor, Cargill, Mitsui Sumitomo and Morgan Crucible. The Group has a wide geographical presence spanning 13 states in India and 5 continents.

Renowned brands like BSA, Hercules, Ballmaster, Ajax, Parry's, Gromor and Paramfos are from the Murugappa stable. The organization fosters an environment of professionalism and has a workforce of over 32,000 employees. For more details, visit www.murugappa.com.

For further queries please contact:

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**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. in Lakhs)

Sl.No	Particulars	Quarter ended			Year ended	
		(Unaudited)			(Audited)	
		31.03.12	31.12.11	31.03.11	31.03.12	31.03.11
1	Income from operations					
	a) Gross Sales / Income from operations	52342	51250	43445	205740	166667
	Less: Excise duty recovered	2637	2080	2281	8887	7511
	Net Sales / Income from operations	49705	49170	41164	196853	159156
	b) Other operating income	340	538	12	2647	1596
	Total Income from operations (net)	50045	49708	41176	199500	160752
2	Expenses					
	a) Cost of materials consumed	17160	16437	12266	63287	47870
	b) Purchase of stock in trade	1783	1679	175	7665	5858
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-trade	(2574)	(2552)	(2622)	(6449)	(4363)
	d) Employee benefits expense	7360	5553	10081	23436	24014
	e) Power & fuel	7254	6144	5745	26048	22312
	f) Depreciation and amortization expense	1398	1447	1210	5693	5045
	g) Other expenses	10615	13786	8127	46560	36361
	Total expenses	42996	42494	34982	166240	137097
3	Profit from Operations before Other Income, finance costs & exceptional items	7049	7214	6194	33260	23655
4	Other Income	492	553	1546	1267	2509
5	Profit before finance costs & exceptional items	7541	7767	7740	34527	26164
6	Finance costs	585	627	729	2500	2710
7	Profit after finance costs but before exceptional items	6956	7140	7011	32027	23454
8	Exceptional Items (Refer Note No.5)	68	175	-	243	2349
9	Profit from ordinary activities before tax	7024	7315	7011	32270	25803
10	Tax expense	1470	2303	1743	9079	7417
11	Net Profit from ordinary activities after tax	5554	5012	5268	23191	18386
12	Share of Profit / (Loss) from Associate	-	-	183	112	(21)
13	Minority Interest	(150)	(272)	(508)	(1373)	(1286)
14	Net Profit after tax, minority interest and share of profit from associate	5404	4740	4943	21930	17079
15	Paid up Equity Share Capital (Face value- Re.1 per share)	1874	1874	1869	1874	1869
16	Reserves excluding revaluation reserve				92571	72420
17	Face value per share (Re.)	1	1	1	1	1
18	Earnings per share (Rs.) not annualised (Refer Note No.6)					
	- Basic	2.89	2.53	2.65	11.71	9.15
	- Diluted	2.88	2.52	2.64	11.67	9.13

M M Murugappa



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CARBORUNDUM UNIVERSAL LIMITED
Registered Office: 'PARRY HOUSE', No.43, Moore Street, Chennai - 600 001



**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

Sl.No	Particulars	Quarter ended			Year ended	
		31.03.12	31.12.11	31.03.11	31.03.12	31.03.11
A	PARTICULARS OF SHAREHOLDINGS					
1	Public shareholding					
	- Number of Shares	108503826	108489786	54028605	108503826	54028605
	- Percentage of shareholding	57.90%	57.90%	57.80%	57.90%	57.80%
2	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered					
	- Number of shares	1752800	1752800	876400	1752800	876400
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	2.22%	2.22%	2.22%	2.22%	2.22%
	- Percentage of shares (as a % of the total share capital of the company)	0.94%	0.94%	0.94%	0.94%	0.94%
	b) Non-encumbered					
	- Number of shares	77138936	77131976	38565988	77138936	38565988
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	97.78%	97.78%	97.78%	97.78%	97.78%
	- Percentage of shares (as a % of the total share capital of the company)	41.16%	41.16%	41.26%	41.16%	41.26%

B	INVESTOR COMPLAINTS	Quarter ended 31.03.2012
	Pending at the beginning of the quarter	
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unsolved at the end of the quarter	



M.M. Murugesan

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**CONSOLIDATED SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**



(Rs. In Lakhs)

Sl.no	Particulars	Quarter ended (Unaudited)			Year ended (Audited)	
		31.03.12	31.12.11	31.03.11	31.03.12	31.03.11
1	Segment Revenue					
	Abrasives	22408	20660	18327	83042	68983
	Ceramics	11690	12130	9687	45647	34761
	Electrominerals	17550	16979	14831	72728	59788
	Others	832	795	741	3161	2664
	Total	52480	50564	43586	204578	166196
	Less: Inter-Segment Revenue	2775	1394	2422	7725	7040
	Net Sales/Income from operations	49705	49170	41164	196853	159156
2	Segment Results					
	(Profit (+) / Loss (-) before finance costs and tax)					
	Abrasives	3237	3019	2562	12484	9578
	Ceramics	1743	2322	1635	8979	6114
	Electrominerals	1920	2966	2911	13987	11016
	Others	38	224	140	701	519
	Total	6938	8531	7248	36151	27227
	Less: (i) Finance costs	585	627	729	2500	2710
	(ii) Other un-allocable expenses / (income) net	(603)	764	(492)	1624	1063
	Add: Exceptional Items (Refer Note No.5)	68	175	-	243	2349
	Total Profit before Tax	7024	7315	7011	32270	25803
3	Capital Employed (Segment Assets - Segment Liabilities)					
	Abrasives	46061	43189	44604	46061	44604
	Ceramics	35885	37054	31135	35885	31135
	Electrominerals	49454	48305	34387	49454	34387
	Others (including unallocable)	10970	11009	11218	10970	11218
	Total	142370	139557	121344	142370	121344



M.M. Murugappa

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**CARBORUNDUM UNIVERSAL LIMITED**

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**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012
UNDER CLAUSE 41 OF THE LISTING AGREEMENT****Statement of Assets and Liabilities**

(Rs. in Lakhs)

	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share capital	1874	1869
Capital reserve on consolidation : Joint ventures	206	206
Reserves and surplus	92622	72479
Total Shareholder's funds	94702	74554
Minority Interest	7746	5943
Non current liabilities		
Long term borrowings	20632	24764
Deferred tax liabilities (net)	5055	4841
Total Non Current Liabilities	25687	29605
Current liabilities		
Short term borrowings	13003	9663
Trade payables	16704	15879
Other current liabilities	15761	12253
Short- term provisions	2904	1033
Total Current liabilities	48372	38828
TOTAL	176507	148930
ASSETS		
Non current assets		
Fixed assets	65004	55245
Goodwill on consolidation	9435	8324
Deferred tax assets (net)	154	73
Non current investments	123	4763
Long -term loans and advances	3535	2589
Total Non current assets	78251	70994
Current assets		
Current investments	3877	2727
Inventories	40861	31077
Trade receivables	36123	32904
Cash and cash equivalents.	11047	6979
Short- term loans and advances	6348	4249
Total Current Assets	98256	77936
TOTAL	176507	148930

*M M Murugappa*

**CARBORUNDUM UNIVERSAL LIMITED**

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**CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012
UNDER CLAUSE 41 OF THE LISTING AGREEMENT****Notes:**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on May 2, 2012.
- The Board of Directors have recommended a final dividend of Re.1 per share (face value - Re.1 per share). An interim dividend of Re.1 per share was declared at the meeting of the Board of Directors held on February 4, 2012 and the same has been paid.
- During the current quarter, the Company has allotted 21,000 equity shares pursuant to exercise of Employee Stock Options.

4 Summary of Key Standalone Financial Results of Carborundum Universal Limited is as follows: (Rs. In Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.12	31.12.11	31.03.11	31.03.12	31.03.11
Total Income from Operations	30027	28374	25608	112537	92528
Profit before Tax and Exceptional Items	4075	3845	4547	17440	13985
Add : Exceptional Items	(1016)	2515	18	1499	2448
Profit before Tax	3059	6360	4565	18939	16433
Net Profit after Tax	2641	5064	3802	14667	12425
Paid up Debt Capital				5000	5000
Debt Redemption Reserve				1250	938
Debt Service Coverage Ratio [DSCR] [Times]				2.86	3.64
Interest Service Coverage Ratio [ISCR] [Times]				13.51	9.84
Debt Equity ratio [DER] [Times]				0.25	0.42
DER = Loan funds/Networth					
DSCR= Profit Before Finance costs, Exceptional items, Depreciation and Tax/(Finance costs+ Long term Debt Repayments made during the period)					
ISCR = Profit Before Finance costs, Exceptional items, Depreciation and Tax/ Finance costs					

5 Exceptional Items :**Consolidated**

(Rs. In Lakhs)

	Quarter ended			Year ended	
	31.03.12	31.12.11	31.03.11	31.03.12	31.03.11
Profit on sale of land and building	106	-	-	106	2,349
Profit / (Loss) on sale of investments in Associate Company	(38)	175	-	137	
Total Exceptional Income	68	175	-	243	2,349

Standalone

(Rs. In Lakhs)

	Quarter ended			Year ended	
	31.03.12	31.12.11	31.03.11	31.03.12	31.03.11
Profit on sale of land and building	106	-	-	106	2,349
Profit on sale of investments in Associate / Subsidiary Company	(1,122)	2,515	18	1,393	99
Total	(1,016)	2,515	18	1,499	2,448

On November 4, 2011, the Company has divested its entire shareholding in M/s.Laserwords Pvt Ltd. Consequent to this sale, the entity ceases to be an Associate of the Company.

- The Company has subdivided its equity shares of Rs.2/- each into equity shares of Re.1/- each on October 7, 2011. Hence earnings per share for the previous periods have been restated based on the face value per equity share of Re.1 for comparability. The number of shares as at March 31, 2011 disclosed under the "Particulars of Shareholdings" is prior to sub-division of shares.
- Standalone financial results are available at the website of the Company: www.cumi.murugappa.com and Stock Exchanges: www.bseindia.com & www.nseindia.com
- Figures for the quarter ended March 31, 2012 are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. The classification / disclosure of items in the financial results has been done in accordance with the Revised Schedule VI of the Companies Act, 1956 and the figures for the previous periods have been regrouped/reclassified accordingly.

For Carborundum Universal Limited

Chennai
May 2, 2012*M.M. Murugappan***M.M. Murugappan**
Chairman